

INFORMATION PAPER CFO ISSUES—FY 2000 AUDIT

Issue: Reconcile Personal Property

References:

CELD-ZA memorandum dated 14 April 1998, subject: Personal Property Accountability Standard Business Process.

CERM-F memorandum, 24 Nov 98, subject: Chief Financial Officers (CFO) Act Compliance Issues.

CEIG-I, memorandum dated 30 June 1999, Subject: Engineer Inspector General (EIG) Property Accountability Report

Description: This issue involves a comprehensive approach that relies on three primary elements: (1) use of Corps of Engineers Financial Management System (CEFMS)/Automated Personal Property Management System (APPMS) property management and accountability process; (2) 100 percent annual physical inventories using bar code scanners; and (3) on-site independent quality assurance reviews performed by Property Book Officers (PBO) and Commanders under Army's equipment usage management and command supply discipline programs.

Requirements for Compliance:

Standard: When the CEFMS/APPMS business process is used to acquire, receive, record, and activate property on both the property book and the financial records; bartag data are recorded to the CEFMS subsidiary ledger for property, the Asset Cost Management tables. Resource management offices must ensure that the total costs in the CEFMS Asset Cost Management tables agree with the values in the general ledger, accounts 1700, 1800, and 1900. Processes must be in place to review the CEFMS RECONAST report on a monthly basis, research out-of-balance conditions, and initiate immediate corrective action to ensure that records are in agreement for the annual APPMS to CEFMS CFO reconciliation.

Field Action: All USACE commands and activities must implement and comply with the guidance cited in the referenced documents, as well as the findings and recommendations from the FY 1998 CFO status meeting held in Millington, TN, 19-20 August 1998.

HQUSACE Action: CELD-ZA places special emphasis on both implementation and results of the CG memorandum of 14 April 1998 during Command Management Review, future audits and inspections at every Command level. CERM-F emphasizes the review and correction of the CEFMS RECONAST reports.

Self-Assessment Rating Criteria:

Green (Compliant): All accountable property must be inventoried annually and all items meeting the capitalized criteria must be reconciled between APPMS and CEFMS. The local Internal Review (IR) Office has validated this compliance.

Milestones: 31 January 2000 for RECONAST report reconciliation.

Estimated Completion Date: 31 January 2000 for CFO

INFORMATION PAPER – CFO ISSUES, FY 2000 AUDIT

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